



**10 MARCH 2023**

## **Joint Statement to the School Teachers' Review Body (STRB) The crisis in teacher pay and supply**

### **Introduction**

- 1 This joint statement to the STRB is from organisations representing virtually all teachers and school leaders in England. Our joint position on the key issues is grounded in the real lived experience of our members and is based on the clear evidence of what is needed to urgently address the crisis in teacher and school leader pay and supply.
- 2 The events of 2022 have underlined and reinforced the concerns we have consistently expressed. Our members have seen another huge real terms cut to their pay, workload remains sky high, and recruitment and retention has gone from bad to worse. We do not use the word “crisis” lightly. The impact of more than a decade of unjustified, unevidenced and damaging Government attacks on pay has resulted in critical and serious risks to the supply of teachers and school leaders.
- 3 We know from what our members tell us that morale in the profession is at rock bottom. Teachers and school leaders played a major part in the country’s response to the pandemic, only to see the Government continue to intensify the cuts to their pay. Teachers and school leaders are so important to our economy and society – but are so undervalued by the Government. Our members’ anger has grown and their disenchantment with the review body process has deepened.
- 4 Each of our organisations have the opportunity to provide separate written evidence to the STRB. In the meantime, however, this joint statement sets out our united view on the key issues facing the STRB. Teacher and school leader pay must be determined on the basis of the evidence. The united position of the teaching profession is a key piece of evidence – it shows that teachers and school leaders completely reject the Government’s policy of real terms pay cuts and pay fragmentation.

- 5 The evidence we present is not artificially constrained by the narrow remit issued to the STRB by the Secretary of State. Our evidence is holistic not partial. It sets out the position objectively, taking into account key factors excluded from the remit, such as more than a decade of real terms pay cuts. We recognise, as should the STRB, that meaningful analysis of the reality on teacher pay and supply is impossible if we allow the Government to hide the damage caused by its political choices.
- 6 All of our organisations remain in dispute with the Government on the issue of teacher and school leader pay in England.

### **The impact of the pay cuts**

- 7 The Secretary of State's remit letter makes no mention at all of the devastating real terms pay cuts that have been inflicted on teachers and school leaders. There is no acknowledgement of the impact of the cost of living crisis on our members, or of the damage done to the comparative position of teaching in the graduate labour market. The most critical pay issue is thus completely ignored in the remit letter.
- 8 The only mention of inflation in the Secretary of State's remit letter to the STRB is this: "In the current economic context, it is particularly important that you have regard to the Government's inflation target when forming recommendations." The "current economic context" for teachers and school leaders is one of huge real terms pay cuts and a deepening cost of living crisis.
- 9 The absence of the issue of pay cuts from the remit letter is a stark illustration both of how out of touch the Government is with the key concerns of our members, and of how the Government seeks to inappropriately restrict the matters reviewed by the STRB. We refuse to go along with this wilful attempt by the Government to set aside issues that are fundamental to any meaningful review of teacher and school leader pay. The Government's inflation target was set for the Bank of England, not for the STRB. The Government wants the STRB to ignore the pay cuts, but the STRB must instead use the impact of the pay cuts as the starting point for its review.
- 10 In relation to the Government's inflation target, the remit letter refers to "being careful not to drive prices even higher in the future." This line of argument is repeated in the Treasury submission to the review bodies collectively. Government spokespeople consistently use warnings of a "wage/price spiral" to defend the Government's policy of inflicting enormous real terms cuts on public sector workers including teachers and school leaders. Such claims make no sense. The key drivers of high inflation are soaring energy costs. Real wages are falling significantly – and, for teachers and leaders, the latest pay cuts continue a long term trend.
- 11 Between 2010 and 2021, teachers and school leaders had already experienced significant real terms pay losses compared to pay levels had they matched RPI inflation. Instead of action to restore the pay lost since 2010, teachers and school leaders instead saw another huge real terms cut in September 2022. With RPI inflation in September 2022 of 12.6%, the pay increase of 5% for the majority of teachers and school leaders was in reality a real terms pay cut of over 7%. The increases to starting pay, though higher than the 5% for most teachers and school leaders, were also well below RPI inflation and were also significant real terms cuts. Real terms pay losses compared to pay levels had they matched RPI inflation since 2010 are now such that increases of 30% would be needed for many teachers and school leaders to restore pay lost over the last dozen years.

- 12 High inflation is likely to continue for some time. The Bank of England has said that it expects inflation “to fall sharply from the middle of next year.”<sup>1</sup> It is important to place this statement in context.
- 13 The latest Treasury average of independent forecasts at the time of writing predicts RPI of 5.9% in the fourth quarter of 2023.<sup>2</sup>
- 14 Even after the headline rate peaks, price rises will have been baked in and the rate at which inflation is increasing will still be significantly higher than the trend for the past three decades.<sup>3</sup> Our members are seeing their living standards hit month after month.
- 15 As well as seeing the real value of their pay cut, teachers and school leaders are also seeing the value of their pay deteriorate relative to other professionals. The remit letter refers to “the Government’s commitment to make teaching more competitive in the graduate labour market.” The reality is that the competitiveness of teacher and school leader pay has been hit hard by the Government’s policy of pay cuts against inflation.
- 16 The STRB’s 32<sup>nd</sup> Report noted the decline in the competitiveness of teacher pay compared to pay in the wider economy between 2010-11 and 2020-21. The STRB report also confirmed that the real terms cuts for teachers and school leaders were significantly worse than those experienced by workers in the wider economy as a whole and by those in professional occupations.<sup>4</sup> All of this was before the impact of the pay freeze in 2021-22 and the huge real terms pay cut of September 2022.
- 17 The remit letter refers to private sector pay levels, but analysis of this issue supports our case on teacher and school leader pay. The ONS noted in January 2023 that average pay growth in the private sector was 7.2% in the three months to November 2022 compared to 3.3% in the public sector. The ONS commented that: “Outside of the height of the Coronavirus pandemic period, this is the largest growth rate seen for the private sector.”<sup>5</sup> Private sector pay settlements recorded by the Labour Research Department were at 8% in the three months to October 2022.<sup>6</sup>
- 18 The Treasury submission to the review bodies collectively does not set out the full picture on public sector pay and ignores the critical issue of real terms pay cuts. It also sets out a spurious comparison of public and private sector pay levels, ignoring the important differences between public and private sector workforce characteristics.
- 19 Workers in the public sector are on average more highly educated, more experienced and older than those in the private sector, so simplistic Government comparisons between public and private sector pay are misleading. The overall picture in terms of comparability, however, is clear. After accounting for the significant differences between public and private sector workers in terms of experience, age and education the differential between public and private sector pay has disappeared. IFS states that the “public-private pay differential is now less favourable to the public sector than at any point in the last thirty years.”<sup>7</sup>

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<sup>1</sup> <https://www.bankofengland.co.uk/knowledgebank/will-inflation-in-the-uk-keep-rising>

<sup>2</sup> Forecasts for the UK economy: January 2023 - GOV.UK ([www.gov.uk](http://www.gov.uk))

<sup>3</sup> <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/czbh/mm23>

<sup>4</sup> STRB 2022, paragraph 3.27, page 31.

<sup>5</sup> Labour market overview, UK - Office for National Statistics ([ons.gov.uk](http://ons.gov.uk))

<sup>6</sup> LRD: Publications, Research, Trade Unions, Workplace, Pay

<sup>7</sup> <https://ifs.org.uk/publications/public-spending-pay-and-pensions>

- 20 Contrary to the assertions in the Treasury submission, public sector pay is not competitive. Teacher and school leader pay has not only been cut significantly in real terms against inflation – it has also fallen significantly compared to pay in the wider economy.
- 21 The Treasury submission notes “the possibility of short-run spillovers from public sector pay growth to the private sector.” This assertion ignores the fact that private sector employers focus on benchmarks in their own sectors and that public sector pay is not high on the list of factors influencing private sector pay. The real danger is the loss of public sector workers to the private sector, as the Government continues to target public sector pay for cuts and private sector pay grows strongly. Public sector workers did not cause the current high levels of inflation, which are driven by increases in energy and food costs and are exacerbated by price gouging.
- 22 We reject the Treasury’s definition of “affordability.” The attacks on teacher and school leader pay are driving recruitment and retention problems, which are hugely costly to the country. With teacher shortages across the curriculum, recruitment targets missed and experienced teachers and school leaders leaving, parents know that significant damage is being done to the education service. Securing the country’s economic goals depends on education, which is a key engine of growth. We cannot afford to continue underpaying and undervaluing teachers and school leaders, or underinvesting in the education service.
- 23 Since 2010, the Government has deliberately and without evidence made the political choice to target teachers and school leaders for pay cuts. The Government continues to attempt to hide the consequences of its decision to attack teacher and school leader pay, despite the evidence of the damage this has done to our members’ standard of living and wellbeing, to recruitment and retention, and to the competitive position of teaching.
- 24 Teachers, school leaders and parents know the reality: attacks on teacher and leader pay are attacks on the education service itself. A Government that values education would properly value educators to ensure that we recruit, retain, and support the teachers and leaders we need.
- 25 We are clear that a pay increase in September 2023 of 3% for most teachers and leaders, as proposed by the STRB in its 32<sup>nd</sup> Report subject to a review mechanism, would be completely unacceptable. On the basis of current inflation predictions, this would result in yet another significant real terms pay cut. The evidence shows that we need urgent action on teacher and school leader pay to break the dismal cycle of pay cuts that we have seen since 2010.
- 26 The pay cuts inflicted on teachers and school leaders have caused huge damage. Year after year of real terms pay cuts have hit our members’ living standards hard, with real terms losses since 2010 running into tens of thousands of pounds. Lower salaries as a result of these real terms cuts will also have a detrimental impact on the pensions our members will receive, and indeed on the pensions of which some are already in receipt.
- 27 Teachers and school leaders are critical to our economy and society. It is time for the Government to value them instead of continuing to erode their pay and undermining them.
- 28 An urgent change of course is required: we need fully funded, inflation-plus and undifferentiated pay increases that are sufficient to begin the process of restoring the pay lost in real terms and to lay a firm foundation for pay levels that are sufficient to recruit, retain and value the teachers and school leaders our education service needs.

## The recruitment and retention crisis

- 29 Recruitment and retention is included in the remit letter from the Secretary of State as one of the “considerations to which the STRB should have regard.” The recruitment and retention crisis has been steadily worsening alongside the attacks on teacher and school leader pay. This is no coincidence.
- 30 The remit letter does not reflect the depth or urgency of recruitment and retention problems. We are faced with a catastrophic crash in recruitment to initial teacher training, extraordinary ongoing wastage rates among both teachers and school leaders, and collapsing aspiration to middle and senior leadership roles. The first order problem for the STRB to tackle is to protect teacher and school leader pay against further erosion by inflation, and to set out a road map to urgently restore the pay lost in real terms since 2010. Only this can solve the recruitment and retention problems. All else is mere window dressing. The DfE’s Recruitment and Retention Strategy, published four years ago, has clearly not delivered.
- 31 Figures on recruitment to Initial Teacher Training published in December 2022 underline the serious concerns on recruitment and retention. Targets for both primary and secondary recruitment were missed. The recruitment figure for secondary was only 59% of the target, by some distance the worst in recent memory. Some secondary subjects recruited just one in six of the trainees needed.
- 32 These disastrous figures come at a time when we need to be recruiting more teachers to make up for the shortfalls of previous years. Instead, an already dreadful record on recruitment is getting even worse.
- 33 Alongside the failure to recruit enough teachers, retention problems continue. The School Workforce Census<sup>8</sup> confirms that almost a third of teachers leave in the first five years, almost a quarter within three years, and an eighth within a year.
- 34 Wastage rates among school leaders appointed under the age of 50 are similar. The DfE’s own workforce data shows that almost a third of school leaders leave their post within five years, of which more than half quit teaching in state-funded schools altogether (rising to two-thirds for head teachers in both the primary and secondary phases).<sup>9</sup>
- 35 It is worth recalling in the retention context this statement from the STRB’s 30<sup>th</sup> Report. Noting that given “... the high proportion of the teacher workforce who are on the UPR and leadership group pay range,” the STRB was clear that “it would only take a relatively small increase in their wastage rates to result in a substantial number of teachers leaving the profession.”<sup>10</sup> Combined with the collapsing recruitment picture, continuing retention problems reinforce our serious concerns on teacher and school leader supply.
- 36 The STRB stated in its 32<sup>nd</sup> Report<sup>11</sup> that pay is an important influence on recruitment, retention and morale – for experienced teachers as well as for new teachers. The STRB failed to draw the obvious conclusion: that yet more pay cuts against inflation will make the recruitment and retention problem even worse.

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<sup>8</sup> <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england> (SWC)

<sup>9</sup> [School leadership in England 2010 to 2020: characteristics and trends - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/school-leadership-in-england-2010-to-2020-characteristics-and-trends)

<sup>10</sup> STRB 30<sup>th</sup> report, 2020 p 89

<sup>11</sup> STRB 2022 paragraph vi, page 1.

37 Recruitment and retention problems will continue until the STRB and the Government recognise that to improve teacher and school leader supply we need significant improvements to teacher and school leader pay.

### **The need for a fair national pay structure**

38 In its 32<sup>nd</sup> Report the STRB flagged structural issues, including career paths and structures, pay progression, and performance-related pay (PRP), as “future priorities.”<sup>12</sup> The STRB also said that “best practice suggests that a review (of PRP) should take place.”<sup>13</sup>

39 In response, the remit letter invites the STRB to: “offer an initial view on areas within the STRB’s scope” in the context of the Government’s reforms in Initial Teacher Training, the Early Career Framework and National Professional Qualifications. The remit letter makes no mention at all of PRP, despite the widespread opposition to it and continuing evidence of its adverse impact. Nor does the remit include the impact of the dismantling of the national pay structure. Ignoring these fundamental pay structure issues shows again how the Government seeks to exclude key issues from review.

40 With the exception of the Department, consultees have been calling for the removal of PRP for several years now and have provided significant evidence to justify its removal. The STRB’s 32<sup>nd</sup> report said: “The evidence we have received in recent years has consistently raised concerns about performance-related pay progression (PRPP) and it is the belief of some consultees that PRPP works poorly in practice. The concerns range from issues of principle to practical matters, including an inconsistency of approach and evidence that some groups benefit less from PRPP.”<sup>14</sup>

41 The same calls were made on the Independent Welsh Pay Review Body (IWPRB), backed up with similar evidence. This resulted in the IWPRB recommending the removal of PRP from the STPC(W)D and the Welsh Minister accepted that recommendation.

42 An increasing number of academy employers are also breaking the link between performance and pay, and in its 32<sup>nd</sup> report, the STRB itself said it was a priority for review: “Given the current form of PRPP has now been in operation for some eight years, best practice suggests that a review should take place. This might start by identifying where improvements are most needed. This should include reviewing current practice, including understanding equalities concerns, and understanding what works well.”<sup>15</sup>

43 It cannot continue to be the case that the Government ‘cherry picks’ from the recommendations of its own independent pay review body and ignores repeated, evidence-backed requests from consultees. The key pay structure issues must be addressed.

44 Unfair PRP and the dismantling of the national pay structure have created serious equalities concerns. They also contribute to the recruitment and retention problems, because serving and potential teachers know that their career development could be undermined by unfair pay decisions take on the basis of factors beyond their control, notably funding issues.

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<sup>12</sup> STRB 2022, paragraphs xi-xii, pages 2-3.

<sup>13</sup> STRB 2022, paragraph 5.10, page 68.

<sup>14</sup> STRB 2022, paragraph 5.9, page 68.

<sup>15</sup> STRB 2022, paragraph 5.10, page 68.

- 45 The DfE must provide full evidence on the equality issues relating to the pay structure. The Government continues to fail to meet its Public Sector Equality Duty (PSED) by failing to monitor equality impacts and to take appropriate remedial action to ensure that the pay structure reliably delivers fair pay to teachers and school leaders with protected characteristics.
- 46 Since PRP was imposed and the national pay structure was dismantled, pay has been cut and recruitment and retention problems have grown. PRP has undermined positive appraisal, created conflict within schools, and contributed to high workload and excessive accountability. Unfairness and lack of transparency has contributed to our members being underpaid and undervalued. By any credible measure, pay “flexibility” has been a total failure – yet the Government resists any attempt to subject its political choices to objective review.
- 47 We refuse to allow discussions on pay structure issues to be restricted by the Government’s ideological agenda. We will continue to call for a fair and transparent national pay structure with no element of PRP, but instead with competitive pay levels and guaranteed pay progression to recognise teachers’ and school leaders’ development of experience and expertise. This is not only essential to value teachers and school leaders properly but is also critical to finding solutions to the recruitment and retention problems.
- 48 Advisory points for the main, upper and unqualified teacher pay ranges have been reintroduced to the STPCD in recent years, but not for the leadership pay range. This makes no sense and we again call for the immediate restoration of mandatory pay points as a minimum entitlement for all teachers and school leaders. In the joint union pay advice we have continued to uprate the pay scales since 2014. The joint union pay advice, widely adhered to by schools and academies, was used for the advisory points and should also be used – as uprated by the pay increases needed – for the mandatory pay points needed.
- 49 Pay portability and access to appropriate payments for additional responsibilities must also be central features of a restored national pay structure.
- 50 The supply teacher issue must be addressed. Many supply teachers have failed to receive even the inadequate teachers’ pay awards in recent years. Supply teachers must be included in the restored national pay structure on the same basis as other teachers.

### **Workload issues**

- 51 Alongside pay cuts, teachers and school leaders continue to experience sky-high workload. The workload problem is made worse by excessive accountability and PRP. Urgent action on workload is needed and just as with pay this requires additional funding from the Government.

### **The review body process**

- 52 The STRB is appointed by the Government and has not properly challenged the impact of Government policy. The STRB has not protected teachers and school leaders against the real terms pay cuts and has not appropriately assessed the impact of the pay cuts. Nor has it recommended the action needed to improve teacher and school leader pay and conditions, and support recruitment and retention. The STRB proposed without appropriate evidence the dismantling of the national pay structure and imposition of unfair PRP.

- 53 We have noted above the absence of key issues such as pay cuts and PRP from the remit given to the STRB by the Secretary of State.
- 54 The remit letter also highlights the cost pressures faced by schools. Instead of looking for ways to address these pressures by means of additional funding, the Government is seeking to use the funding shortfalls that result from its own political choices to constrain the STRB. We are clear that effective solutions to the deep-rooted and severe crisis in teacher and school leader pay and supply cannot be found within the existing inadequate funding envelope.
- 55 We are equally clear that any objective analysis of pay and supply must set out the action needed to solve the problems – the decisions on funding are then a political matter for the Government. It will then be rightly held accountable for the political choices it makes.
- 56 Since 2010, successive Conservative and Conservative-led administrations have restricted the work of the STRB by imposing pay freezes, pay “caps” and “affordability” criteria.
- 57 During this period there have been many examples of the Government ignoring STRB recommendations. These include not responding to concerns about the impact on experienced teachers and school leaders of imposing differentially higher increases to starting pay and early career pay. Concerns about recruitment and retention have been expressed year after year, but no effective action has been taken. Identification of the failure to properly reward teachers taking on additional management or leadership responsibilities has not been followed up with reform to ensure that this critical problem is addressed.
- 58 The STRB was clear in its view that the 2019 pay award should represent a first step towards improving the position of the teacher pay framework in the wider labour market and said that: “more will be necessary over the period of the next spending review.”<sup>16</sup>
- 59 Given the clarity and consistency in the view taken by the STRB over successive remits, it is hard to fathom why the sharp focus of the 31<sup>st</sup> report’s recommendations have been ignored in the considerations of the STRB under its new Chair.
- 60 In place of the clear call for a full review of the existing pay framework, the 32<sup>nd</sup> report focused only on particular components of the framework including “career paths” and “flexible working.”<sup>17</sup> It also suggested consideration of teacher shortages by subject, geographic area and experience – suggesting a return to the hackneyed discussion of differential pay, already comprehensively examined by the STRB, which statutory consultees have repeatedly rejected.
- 61 The review body process, constrained by the Government’s deliberate attempts to ignore the evidence of the damage caused by its political choices, has not protected teachers and school leaders against devastating pay cuts. Nor has it protected the education service against the huge recruitment and retention problems to which pay cuts have contributed. Major pay reforms, dismantling the national pay structure and imposing unfair PRP, have created significant problems but remain in place and unchallenged by the review body process.

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<sup>16</sup> [STRB 29th Report 2019](#) p xi

<sup>17</sup> [STRB. 32nd report, 2022](#), p 2

## Conclusion

- 62 Across the whole range of key issues, there is a huge distance between the Government's ideology and the reality of crisis in pay and supply. The consensus in the profession, reflected in this joint statement, shows the isolation of the Government. There is no credible evidence to support pay cuts, pay fragmentation, sky-high workload and inadequate funding – so the Government seeks to exclude these critical issues from the remit given to the STRB.
- 63 Teachers and school leaders are demanding fully funded, inflation-plus pay increases. These increases are essential to address the cost-of-living problems caused for our members by pay cuts, and to ensure that by valuing teachers and school leaders properly we put in place the support needed for recruitment and retention. Urgent action is also needed to reduce sky-high workload.
- 64 Valuing teachers and school leaders and ensuring that we attract and retain the teachers and school leaders we need is in the interests of parents and young people too. Teachers and school leaders were essential to the pandemic response and are just as important to post-pandemic economic recovery and growth. With teacher and school leader living standards hit year after year by pay cuts, recruitment falling off a cliff, retention problems endemic and teacher and school leader morale at rock bottom, the situation is indeed critical.
- 65 This means that the STRB must reject the Government's attempt to ignore the reality facing teachers and school leaders every day. It must instead take a holistic and evidence-based approach, and recommend the urgent improvements in pay, conditions and workload that are needed to protect our education service.